

## Outcome Goal 2.1: Increase Compliance with Worker Protection Laws

Performance Goal 2.1A
<p>FY 2004: Covered American workplaces legally, fairly, and safely employ and compensate their workers as indicated by:</p> <ol style="list-style-type: none"><li>1. Improving customer service by decreasing the average number of days to conclude a complaint. In FY 2004 - decrease by 3 percent.</li><li>2. Reducing employer recidivism. In FY 2004: Increase the percent of prior violators who achieved and maintained FLSA compliance following a full FLSA investigation.– target TBD; baseline being established in FY 2003</li><li>3. Increasing compliance in industries with chronic violations.<ol style="list-style-type: none"><li>a. as indicated in the garment manufacturing industry by:<ol style="list-style-type: none"><li>1. Increase the percentage of employees in southern California paid “on the payroll” - target TBD; baseline being established in FY 2003.</li><li>2. Increase by 2 percent the number of manufacturers in southern California that monitor contractors (including conducting unannounced visits and payroll review).</li><li>3. Increase by 5 percent the number of new contractors in New York City participating in the “Compliance Assistance Program for New Contractors.”</li><li>4. Establish a baseline of the number of manufacturers in New York City that implemented a monitoring program for contractors.</li><li>5. Increase the percent of employees in New Your City paid “on the payroll” - target TBD; baseline being established in FY 2003.</li></ol></li><li>b. as indicated in the long-term health care industry by:<ol style="list-style-type: none"><li>1. Increase by 5% the percent of nursing homes in compliance with the FLSA. .</li><li>2. Increase by 2% the percent of nursing home employees employed or paid in compliance with the FLSA..</li><li>3. Increase by 2% the number of prior nursing home violators in compliance with the FLSA.</li><li>4. Increase by 2% the number of residential living employers in compliance with the recordkeeping requirements of the FLSA.</li></ol></li><li>c. as indicated in agricultural commodities by:<ol style="list-style-type: none"><li>1. Increase by 2% compliance among agricultural employers subject to the DWHaT provisions of MSPA through targeted assistance programs.</li><li>2. Increase the number of agricultural housing (or transportation) providers who corrected violations following an investigation. (Area of focus and percentage determined with FY 2003 results).</li><li>3. Increase the number of agricultural housing (or transportation) who corrected violations following a first investigation. . (Area of focus and percentage determined with FY 2003 results).</li></ol></li></ol></li></ol> <p>FY 2003: Covered American workplaces legally, fairly, and safely employ and compensate their workers as indicated by:</p> <ol style="list-style-type: none"><li>1. Improving customer service by decreasing the average number of days to conclude a complaint. In FY 2003 -decrease by 2 percent over the FY 2002 baseline.</li><li>2. Reducing employer recidivism. In FY 2003:<ol style="list-style-type: none"><li>a. Increase the percent of reinvestigations without any violations by 2 percentage points</li><li>b. Decrease the percent of reinvestigations with identical violations by 2 percentage points.</li></ol></li><li>3. Increasing compliance in industries with chronic violations.<ol style="list-style-type: none"><li>a. as indicated in the garment manufacturing industry by:<ol style="list-style-type: none"><li>1. Establish a baseline of the percent of employees in southern California paid “on the payroll.”</li><li>2. Increase by 2 percent the number of manufacturers that monitor their contractor shops for compliance in southern California (including conducting unannounced visits and</li></ol></li></ol></li></ol>

<p>payroll review).</p> <ol style="list-style-type: none"> <li>3. Increase by 5 percent the number of new contractors in New York City participating in the "Compliance Assistance Program for New Contractors."</li> <li>4. Increase by 2 percent the number of manufacturers in New York City that monitor their shops for compliance.</li> <li>5. Establish a baseline of the percent of employees in New York City paid "on the payroll."</li> </ol> <p>b. as indicated in the long-term health care industry by:</p> <ol style="list-style-type: none"> <li>1. Increase by 2 percent the percent of employees in the residential living (group home) segment of health care industry paid in compliance with the overtime requirements of the Fair Labor Standards Act.</li> <li>2. Increase by 1 percent the percent of nursing home compliant cases concluded in 180 days.</li> </ol> <p>c. as indicated in agricultural commodities by:</p> <ol style="list-style-type: none"> <li>1. Increase compliance among agricultural employers subject to the DWHaT provisions of MSPA through targeted compliance assistance programs; to be measured in FY 2004.</li> <li>2. Increase by 2% the number of agricultural housing providers who corrected violations following an investigation.</li> <li>3. Increase by 1% the number of agricultural housing providers who corrected violations following a first investigation.</li> </ol> <p>FY 2002: Covered American workplaces legally, fairly, and safely employ and compensate their workers as indicated by:</p> <ol style="list-style-type: none"> <li>1. Reducing employer violation recidivism. In FY 2002, establish baselines for: <ol style="list-style-type: none"> <li>a. percentage of reinvestigations without violations.</li> <li>b. percentage of reinvestigations with any violation.</li> <li>c. percentage of reinvestigations with identical violations.</li> </ol> </li> <li>2. Increasing compliance in industries with chronic violations. <ol style="list-style-type: none"> <li>a. as indicated in the garment manufacturing industry by: <ul style="list-style-type: none"> <li>• Increase by 2 percentage points the number of manufacturers that monitor their contractor shops for compliance in Southern California</li> <li>• Increase by 2 percent the average number of monitoring components used by manufacturers in monitoring their contractors for compliance in Southern California.</li> <li>• Increase by 2 percentage points the percentage of contractors in Southern California that pay all employees on the payroll.</li> <li>• Increase by 4 percentage points the level of compliance of new contractors in New York City through compliance education.</li> <li>• Increase by 2 percentage points the percentage of contractors in New York City that pay all employees on the payroll.</li> </ul> </li> <li>b. as indicated in the long-term health care industry by: <ul style="list-style-type: none"> <li>• Increase by 6,000 the number of employees of multi-establishment nursing home corporations impacted by corporate proactive steps such as training and self-audit.</li> <li>• Increase by 5 percent the number of employers (nursing homes) that were provided compliance assistance information through seminars and other outreach efforts.</li> <li>• Establish a baseline of the number of employers in compliance with the recordkeeping requirements of the Fair Labor Standards Act.</li> </ul> </li> <li>c. as indicated in agricultural commodities by: <p>In FY 2002, establish baselines of compliance with the Migrant and Season Agricultural Worker Protection Act (MSPA) provisions of disclosure, wages, housing and transportation and with the child labor provisions of the Fair Labor Standards Act relative to selected agricultural commodities in various locations in the U.S.</p> </li> </ol> </li> </ol> <p>FY 1999 - FY 2001: N/A</p>	
Results	<p>FY 2002</p> <ol style="list-style-type: none"> <li>1. The goals were achieved <ul style="list-style-type: none"> <li>• 34% percent of reinvestigations were without violations.</li> </ul> </li> </ol>

	<ul style="list-style-type: none"> <li>• 25% percent of reinvestigations (prior violators) had any violation.</li> <li>• 19% percent of reinvestigations (prior violators) had identical violations.</li> </ul> <p>2a. 3 of 5 goals were achieved</p> <ul style="list-style-type: none"> <li>• 53% of manufacturers that monitor their contractor shops for compliance in Southern California – a 12 percentage point increase.</li> <li>• The average number of monitoring components used by manufacturers in monitoring their contractors for compliance in Southern California in FY2002 is 6.37 – a 15% increase.</li> <li>• 92% of contractors in Southern California pay all employees on the payroll – a 29 percentage point increase.</li> <li>• 43% of new contractors in New York City participating in the NYC Compliance Assistance Program were in compliance – a decline of 8 percentage points.</li> <li>• 42% of contractors in New York City pay all employees on the payroll – a 9 percentage point decline.</li> </ul> <p>2b. The goals were achieved</p> <ul style="list-style-type: none"> <li>• 16,426 additional employees of multi-establishment nursing home corporations impacted by corporate proactive steps such as training and self-audit.</li> <li>• 7,681 employers (nursing homes) were provided compliance assistance information through seminars and other outreach efforts – and increase of 216%</li> <li>• 77% of employers (residential living) were in compliance with the recordkeeping requirements of the Fair Labor Standards Act.</li> </ul> <p>2c. The goals were achieved.</p> <ul style="list-style-type: none"> <li>• 61% of employers were in compliance with the MSPA disclosure provisions.</li> <li>• 91% of employers were in compliance with the MSPA wage provisions.</li> <li>• 74% of employers were in compliance with the MSPA housing safety and health provision.</li> <li>• 88% of employers were in compliance with the MSPA vehicle safety provisions (transportation).</li> <li>• 90% of employers were in compliance with the MSPA drivers license provisions (transportation).</li> <li>• 85% of employers were in compliance with the MSPA vehicle insurance provisions (transportation).</li> <li>• 98% of investigated employers were in compliance with child labor provisions.</li> </ul> <p>FY 1999-2001: N/A</p>
Indicator	<p>FY 2003 &amp; 2004: Data on complaint resolutions; Trends in compliance/violation rates; Changes in results of investigations in targeted industries; Data on self-monitoring efforts; Data on compliance assistance efforts.</p> <p>FY 2002:</p> <ol style="list-style-type: none"> <li>1. Percentage of investigations without violations; percentage of reinvestigations with repeat violations; and percentage of reinvestigations with recurring violations.</li> <li>2a. Trends in the percent of garment manufacturers that monitor their contractor shops for compliance.</li> <li>2b. Trends in the number of multi-establishment health care corporations that take proactive steps to promote and achieve corporate-wide compliance.</li> <li>2c. Baseline of compliance with certain MSPA provisions (i.e., disclosure, wages, housing and transportation) and with the child labor provisions of the FLSA relative to selected agricultural commodities in various locations in the U.S.</li> </ol>

Data Source	<p>FY 2003 &amp; 2004: Wage and Hour Investigator Support and Reporting Database (WHISARD) data; WH significant activity reports; regional logs and reports on local initiatives; and statistically valid investigation-based compliance surveys.</p> <p>FY 2002:</p> <ol style="list-style-type: none"> <li>1. Wage and Hour Investigator Support and Reporting Database (WHISARD) for FY 2002.</li> <li>2. Wage and Hour Investigator Support and Reporting Database (WHISARD) data for garment manufacturer investigations; WHD significant activity reports on health care activities; WHISARD data and regional logs on agricultural activities; statistically-valid investigation-based compliance surveys in defined industries.</li> </ol>
Baseline	<ol style="list-style-type: none"> <li>1. The average number of days to conclude a complaint is 129</li> <li>2. TBD in FY 2003</li> <li>3.a.1. TBD, baseline being established in FY2003</li> <li>3.a.2. Of the 1,700 manufacturers in southern California, 41% (700) monitor their contractor shops and 21.3% (362) conduct both unannounced visits and payroll reviews.</li> <li>3.a.3. 69 contractors participate in the "Compliance Assistance Program for New Contractors"</li> <li>3.a.4. TBD in FY 2004.</li> <li>3.a.5. TBD, baseline being established in FY 2003</li> <li>3.b.1. 40% of nursing homes are in compliance with the minimum wage, overtime and child labor provisions of FLSA</li> <li>3.b.2. 89% of employees in nursing homes are employed or paid in compliance.</li> <li>3.b.3. 41% of prior nursing home violators are in compliance with the minimum wage, overtime and child labor requirements of FLSA.</li> <li>3.c.1. TBD, baseline being determined in FY2003</li> <li>3.c.2. 167 housing providers corrected housing violations following an investigation.</li> <li>3.c.3. 97 housing providers investigated for the first time corrected housing violations following an investigation</li> </ol> <p>FY 2003</p> <ol style="list-style-type: none"> <li>1. The average number of days to conclude a complaint is 129</li> <li>2.a. 34% of reinvestigations are without violations</li> <li>2.b. The percent of reinvestigations with identical violations is 19%.</li> <li>3.a.1. TBD in FY2003</li> <li>3.a.2. Of the 1,700 manufacturers in southern California, 41% (700) monitor their contractor shops and 21.3% (362) conduct both unannounced visits and payroll reviews.</li> <li>3.a.3. 69 contractors participate in the "Compliance Assistance Program for New Contractors"</li> <li>3.a.4. 150 manufacturers monitor in FY 2002</li> <li>3.a.5. TBD, baseline being established in FY 2003</li> <li>3.b.1. 83% of residential living employees are paid in compliance with the FLSA overtime provisions</li> <li>3.b.2. 42% of nursing home complaint based full investigations are concluded in 180 days.</li> <li>3.c.1. TBD in FY2003</li> <li>3.c.2. 167 housing providers corrected housing violations following an investigation.</li> <li>3.c.3. 97 housing providers investigated for the first time corrected housing violations following an investigation</li> </ol> <p>FY 2002:</p> <ol style="list-style-type: none"> <li>1. Baselines to be determined in FY 2002.</li> <li>2.a. 1. 41%.</li> <li>2.a. 2. 5.5 (of a total of 7).</li> </ol>

	<p>2.a. 3. 63%.</p> <p>2.a. 4. 51%.</p> <p>2.a. 5. 52%.</p> <p>2.b. 1. 48,000 employees.</p> <p>2.b. 2. 2,437 employers.</p> <p>2.b. 3. Baselines to be determined in FY 2002.</p> <p>2.c. Baselines to be determined in FY 2002.</p>
Comment	<p>DOL has developed distinct but related goals to help ensure that workers are paid and employed in compliance with the minimum wage, overtime, and child labor requirements of the Fair Labor Standards Act and the wage and working conditions requirements of the Migrant and Seasonal Agricultural Worker Protection Act. The goals are (1) to improve customer service by resolving complaints in a more timely manner, (2) to reduce employer recidivism, and (3) to increase compliance in industries with chronic violations. All three goals recognize that the key to ensuring workers' rights is to focus efforts on the industries and employers with the most persistent and serious violations, and to resolve employee complaints as expeditiously as possible.</p> <p>Two of the goals – employer recidivism and increasing compliance in industries with chronic violations - - address difficult and long-standing compliance problems, which will not be resolved quickly or easily. To this end, DOL has established goals for FY 2004 that represent key interim steps to improving compliance in industries with chronic violations and among prior violators. To this end, DOL has replaced the FY 2003 recidivism goals with an objective to increase compliance among prior FLSA violators since FLSA registered cases represent about 82% of all cases concluded in the fiscal year. In developing interim steps towards the accomplishment of its long-term objectives in industries with chronic violations, DOL has developed FY 2004 interim objectives based on current empirical evidence and experience in these industries, but DOL recognizes that there are economic and other forces beyond its control that may impact its ability to meet its long-range goals. As a result, DOL may develop alternate interim objectives in the future. DOL will track progress with an eye towards these extrinsic factors and will make adjustments to its long and short-range targets and strategies as appropriate. In FY 2004, DOL will conduct an investigation-based survey of compliance in the nursing home industry. In garment manufacturing, DOL has modified some of the interim goals to strengthen its efforts to prompt industry wide compliance. For example, DOL will establish a baseline of manufacturers who implement a monitoring program rather than measure those that just indicate that they conduct monitoring activities. In agriculture, DOL will examine the results of its FY 2003 objectives to determine if compliance levels in MSPA housing have improved to a level that would warrant a reallocation of resource for improving compliance in other MSPA critical protections like transportation</p>
<b>Performance Goal 2.1B</b>	
<p>FY 2004: Advance safeguards for union financial integrity and democracy and the transparency of union operations by:</p> <ol style="list-style-type: none"> <li>1. Improving timely filing of union financial reports that contain information sufficient for public disclosure. In FY 2004: <ol style="list-style-type: none"> <li>a. Timely filing of union annual financial reports by unions with annual receipts over \$200,000 will increase to 87%.</li> <li>b. The percentage of filed reports that are determined to be sufficient for public disclosure will increase to a target TBD following establishment of the baseline for this goal in FY 2003.</li> </ol> </li> <li>2. Extending Labor-Management Reporting and Disclosure Act (LMRDA) protections for union financial integrity to a greater number of labor organizations through the more effective use of investigative resources. In FY 2004, the percentage of investigative resources applied to criminal investigation that result in convictions will be increased to 55%.</li> </ol>	

<p>FY 2003: Advance safeguards for union financial integrity and democracy and the transparency of union operations by:</p> <ol style="list-style-type: none"> <li>1. Improving timely filing of union financial reports that contain information sufficient for public disclosure. In FY 2003: <ol style="list-style-type: none"> <li>a. Timely filing of union annual financial reports by unions with annual receipts over \$200,000 will increase to 85%.</li> <li>b. A baseline for the percentage of filed reports determined to be sufficient for public disclosure will be established in FY 2003.</li> </ol> </li> <li>2. Extending Labor-Management Reporting and Disclosure Act (LMRDA) protections for union financial integrity to a greater number of labor organizations through the more effective use of investigative resources. In FY 2003, the percentage of investigative resources applied to criminal investigation that result in convictions will be increased to 53%.</li> </ol> <p>FY 2002: Union financial integrity and democracy and the transparency of union operations are safeguarded, as indicated by:</p> <ol style="list-style-type: none"> <li>1. Improvement in the timely filing of union annual financial reports that contain information sufficient for public disclosure. In FY 2002, initiate a new electronic forms application and electronic submission process and establish a baseline for timely filing under the new process.</li> <li>2. Extending Labor-Management Reporting and Disclosure Act protections for union financial integrity to a greater number of labor organizations through the more effective use of investigative resources. In FY 2002, establish a baseline of the percentage of investigative resources applied to criminal investigations that result in convictions.</li> </ol> <p>FY 1999 – 2001: N/A.</p>	
Results	<p>FY 2002</p> <ol style="list-style-type: none"> <li>1. DOL initiated the internet-based public disclosure system in June 2002. A baseline for the timely filing of union reports was established at 44%.</li> <li>2. A baseline of 50% was established for the percentage of investigative resources applied to criminal cases that result in conviction.</li> </ol> <p>FY 1999 – 2001: N/A</p>
Indicator	<p>FY 2004:</p> <ol style="list-style-type: none"> <li>1.a. Percentage of financial reports of unions with receipts of over \$200,000 that are timely filed under the electronic forms application and electronic submission.</li> <li>1.b. Percentage of filed reports that meet the standards for public disclosure availability.</li> <li>2. Percentage of investigative resources applied to criminal investigations that result in convictions</li> </ol> <p>FY 2003:</p> <ol style="list-style-type: none"> <li>1.a. Percentage of financial reports timely filed (unions with annual receipts of over \$200,000).</li> <li>1.b. Percentage of financial reports determined to be sufficient for public disclosure.</li> <li>2. Percentage of investigative resources applied to criminal investigations that result in convictions.</li> </ol> <p>FY 2002:</p> <ol style="list-style-type: none"> <li>1. Percentage of financial reports of unions with receipts of over \$200,000 that are timely filed under the electronic forms application and electronic submission process initiated during FY 2002 and meet the standards for public disclosure availability.</li> <li>2. Percentage of investigative resources applied to criminal investigations that result in convictions.</li> </ol>

	FY 1999 – FY 2001: N/A
Data Source	1. Labor Organization Reporting System. 2. OLMS Case Data System.
Baseline	<p>FY 2004:</p> <p>1.a. FY 2002: 83%</p> <p>1.b. To be established in FY 2003.</p> <p>2. FY 2002: 50%</p> <p>FY 2003:</p> <p>1.a. FY 2002: 83%</p> <p>1.b. To be established in FY 2003.</p> <p>2. FY 2002: 50%</p> <p>FY 1999 – FY 2002: N/A</p>
Comment	<p>1.a. and 1.b.: Union financial reports must meet certain standards of acceptability before they may be filed for public disclosure access. The new electronic forms and electronic submission system to be implemented in FY 2002 will improve the timeliness, sufficiency, and accuracy of filed reports that enable union members and the public to better monitor union financial activity. The new process, in combination with a continuing program of compliance assistance and liaison, is expected to raise the percent of timely and accurate filings to over 90% by FY 2005.</p> <p>2. By allocating criminal investigative time to cases with the most prosecution potential and, where appropriate, redirecting criminal investigative resources to union compliance audits, ESA seeks to maximize its impact in extending LMRDA financial safeguards for union financial integrity to the regulated community.</p>

## Outcome Goal 2.2: Protect Worker Benefits

Performance Goal 2.2A	
<p>FY 2004: <b>Make timely and accurate benefit payments to unemployed workers, facilitate the reemployment of Unemployment Insurance claimants, and set up Unemployment tax accounts promptly for new employers.</b></p> <p>FY 2003: Make timely and accurate benefit payments to unemployed workers, facilitate the reemployment of Unemployment Insurance claimants, and set up Unemployment tax accounts promptly for new employers.</p> <p>FY 2002: Same as above.</p> <p>FY 2000 – 2001: Unemployed workers receive fair Unemployment Insurance benefit eligibility determinations and timely benefit payments.</p> <p>FY 1999: N/A</p>	
Results	<p>FY 2002: This goal was not achieved.</p> <ul style="list-style-type: none"> <li>• 89% of all first payments for intrastate full weeks of unemployment were made within 21 days. The target was 91%;</li> <li>• An appropriate accuracy and integrity measure and baseline were established;</li> <li>• The entered employment measure is under development within DOL; and</li> <li>• 81.7% of new status determinations were made within 90 days of the quarter in which liability occurred. The target was 80%.</li> </ul> <p>FY 2001: This goal was not achieved.</p> <ul style="list-style-type: none"> <li>• Twenty-five states met or exceeded the minimum performance criterion for benefit adjudication quality (nationwide, 71.1% of all non-monetary determinations were adequate) against the FY 2001 target of 26; and</li> <li>• Forty-two states met or exceeded the Secretary's Standard for intrastate payment timeliness against a target of 48 states (nationally, 90.3% of all intrastate first payments were made within 14/21 days).</li> </ul> <p>FY 2000: This goal was substantially achieved.</p> <ul style="list-style-type: none"> <li>• 23 states met or exceeded the minimum performance criterion for benefit adjudication quality against the FY 2000 target of 24 states (nationally, 70.3% of all non-monetary determinations were adequate, the same as in FY 1999); and</li> <li>• 47 states met or exceeded the Secretary's Standard for intrastate payment timeliness against a target of 47 states (nationally, 89.9% of all intrastate first payments were made within 14/21 days, up from 89.6% in FY 2000).</li> </ul> <p>FY 1999: N/A</p>
Indicator	<p>FY 2004:</p> <ul style="list-style-type: none"> <li>• <i>Payment Timeliness</i>: 91.3% of all intrastate first payments will be made within 14/21 days;</li> <li>• <i>Payment Accuracy</i>: Establish for recovery at least 59% of the amount of estimated overpayments that the States detect;</li> <li>• <i>Facilitate Reemployment</i>: The reemployment rate of UI claimants will be __% (Target to be established after completion of baseline); and</li> <li>• <i>Establish Tax Accounts Promptly</i>: 80% of determinations about the Unemployment Insurance tax liability of new employers will be made within 90 days of the end of the first quarter they become liable for the tax.</li> </ul>



	<p>FY 2003:</p> <ul style="list-style-type: none"> <li>• <i>Payment Timeliness</i>: 91% of all intrastate first payments will be made within 14/21 days;</li> <li>• <i>Payment Accuracy</i>: Establish for recovery at least 59% of all estimated detectable overpayments;</li> <li>• <i>Facilitate Reemployment</i>: A data source will be selected and a baseline for the entered employment rate of Unemployment Insurance claimants will be established during early FY 2004 (earlier if data are available); and</li> <li>• <i>Establish Tax Accounts Promptly</i>: 80% of new employers status determinations will be made within 90 days of the end of the first quarter in which liability occurred.</li> </ul> <p>FY 2002:</p> <ul style="list-style-type: none"> <li>• <i>Payment Timeliness</i>: 91% of all intrastate first payments will be made within 14/21 days;</li> <li>• <i>Payment Accuracy</i>: Establish a baseline to improve UI accuracy nationwide</li> <li>• <i>Facilitate Reemployment</i>: Define a measure of entered employment of Unemployment Insurance claimants and establish a baseline; and</li> <li>• <i>Establish Tax Accounts Promptly</i>: 80% of new employers will receive a determination about their Unemployment Insurance tax liability within 90 days of the end of the first quarter they become liable for the tax.</li> </ul> <p>FY 2001:</p> <ul style="list-style-type: none"> <li>• <i>Eligibility Determinations Fairness</i>: Increase to 26 the number of states meeting or exceeding the minimum performance criterion for benefit adjudication quality; and</li> <li>• <i>Payment Timeliness</i>: Increase to 48 the number of states meeting or exceeding the Secretary's Standard (minimum performance criterion) for intrastate payment timeliness.</li> </ul> <p>FY 2000:</p> <ul style="list-style-type: none"> <li>• <i>Eligibility Determinations Fairness</i>: Increase to 24 the number of states meeting or exceeding the minimum performance criterion for benefit adjudication quality; and</li> <li>• <i>Payment Timeliness</i>: Increase to 47 the number of states meeting or exceeding the Secretary's Standard (minimum performance criterion) for intrastate payment timeliness.</li> </ul> <p>FY 1999: N/A</p>
Data Source	UI Wage Records
Baseline	<p>FY 2001 (New measures):</p> <ul style="list-style-type: none"> <li>• <i>Payment Timeliness</i>: 89.9% of all intrastate first payments were made within 14/21 days</li> <li>• <i>Payment Accuracy</i>: 57.9% of estimated recoverable overpayments most readily detectable by State Benefit Payment Control operations were established for recovery.</li> <li>• <i>Entered Employment</i>: N/A</li> <li>• <i>Establish Tax Accounts Promptly</i>: 79.1% of new employers received a determination about their UI tax liability within 90 days of the end of the first quarter they became liable for the tax.</li> </ul>
Comment	DOL announced new Unemployment Insurance performance goals and indicators for FY 2002 and beyond to better reflect the level of customer service, program integrity, and the extent Unemployment Insurance claimants become reemployed.

Performance Goal 2.2B	
FY 2004: Enhance Pension and Health Benefit Security	
FY 2003 New Measure	
Results	New Measure in FY 2003
Indicator	<p><u>Enforcement:</u></p> <ul style="list-style-type: none"> <li>Employee benefits: Achieve greater than 50% ratio of closed civil cases with corrected violations to civil closed cases.</li> <li>Employee benefits: Achieve greater than 25% ratio of criminal cases referred for prosecution to total criminal cases.</li> </ul> <p>(New measure in FY 2003. EBSA will re-examine the results in FY 2003 and adjust the target indicators, as appropriate, subsequent to the FY 2004 appropriation.)</p> <p><u>Participant Assistance</u></p> <p>Achieve a Customer Satisfaction Index of 59, or comparable measurement, for: participants and beneficiaries who have contacted EBSA for assistance.</p>
Data Source	<p>Enforcement Management System</p> <p>The American Customer Satisfaction Index</p>
Baseline	<p>46.04% (FY99-FY01 Average)</p> <p>23.45% (FY99-FY01 Average)</p> <p>53 (FY 2001) [1-100 SCALE]</p>
Comment	<p>EBSA stakeholders operate in a voluntary environment (i.e. employers opt to offer (or not) pension and health benefits and employees choose whether to participate). EBSA's mission is to operate balanced programs of enforcement, compliance assistance, outreach and education that serve both plan professionals and participants and beneficiaries. Ultimately, EBSA's efforts attempt to enhance pension and health benefit security in a universe of 6 million benefit plans, 150 million participants and beneficiaries, and approximately \$4.8 trillion in assets. There is no quantifiable, pure outcome measure to determine whether EBSA is successful. Externalities, such as the economy, have a significant impact on whether employers opt to offer benefits and whether employees choose to participate and to what extent. Therefore, EBSA's mission is to ensure that our stakeholders (plan professionals and participants) are empowered with knowledge to comply with the law and/or to make personal choices. In the absence of having a pure, outcome measure, describing success in enhancing the security of pension and health benefits in this complex environment involves selecting key indices that, if achieved, provide a reasonable indication or logical connection to success. It is within this context that EBSA developed new performance measures to better communicate its performance. In developing these indices, EBSA strives to: (1) maintain maximum flexibility for the Secretary to make policy judgments regarding enforcement, compliance assistance, outreach and education; (2) reflect EBSA's effectiveness in achieving these policy choices; (3) avoid creating perverse incentives (i.e. complex v. easy, monetary v. non-monetary recovery, big v. small plans, health v. pension); and (4) measure a multitude of diverse activities (e.g. education/outreach, technical assistance, enforcement). By measuring these indices, coupled with other underlying management information, the effectiveness of our program can be measured and logically connected to enhancing benefit security.</p>

**Performance Goal 2.2C**

**FY 2004: Minimize the human, social, and financial impact of work-related injuries for workers and their families.**

1. For FECA cases of the United States Postal Service, reduce the lost production days rate (LPD per 100 employees) by 2 percent from the FY 2002 baseline.
2. For FECA cases of All Other Governmental Agencies, reduce the lost production days rate (LPD per 100 employees) by 4 percent from the FY 2001 baseline.
3. Increase FECA Vocational Rehabilitation placements with new employers for injured USPS employees by 15 percent over FY 2002.
4. Through use of Periodic Roll Management, produce \$38 million in cumulative (FY 2003-FY 2004) first-year savings in the FECA program.
5. The trend in the indexed cost per case of FECA cases receiving medical treatment will remain below the comparable measure for nationwide health care costs.
6. Improve FECA customer service performance levels.
7. Reduce by 4 percent over the FY 2002 established baseline the average time required to resolve disputed issues in Longshore and Harbor Worker's Compensation Program contested cases.
8. Increase by 6 percent over the FY 2001 established baseline the percentage of Black Lung benefit claims filed under the revised regulations for which, following an eligibility decision by the district director, there are no requests for further action from any party pending one year after receipt of the claim.
9. 77 percent of Initial Claims for benefits in the Energy Program are processed within standard timeframes.
10. 77 percent of Final Decisions in the Energy Program are processed within standard timeframes.

**FY 2003: Minimize the human, social, and financial impact of work-related injuries for workers and their families.**

1. For FECA cases of the United States Postal Service, reduce the lost production days rate (LPD per 100 employees) by 1 percent from the FY 2002 baseline.
2. For FECA cases of All Other Governmental Agencies, reduce the lost production days rate (LPD per 100 employees) by 3 percent from the FY 2001 baseline.
3. Increase FECA Vocational Rehabilitation placements with new employers for injured USPS employees by 5 percent over FY 2002.
4. Through use of Periodic Roll Management, produce \$20 million in first-year savings in the FECA program.
5. The trend in the indexed cost per case of FECA cases receiving medical treatment will remain below the comparable measure for nationwide health care costs.
6. Establish or complete baselines in key FECA customer service areas.
7. Reduce by 2 percent over the FY 2002 baseline the average time required to resolve disputed issues in Longshore and Harbor Worker's Compensation Program contested cases.
8. Increase by 4 percent over the FY 2001 established baseline the percentage of Black Lung benefit claims filed under the revised regulations for which, following an eligibility decision by the district director, there are no requests for further action from any party pending one year after receipt of the claim.
9. 75 percent of Initial Claims for benefits in the Energy Program are processed within standard timeframes.
10. 75 percent of Final Decisions in the Energy Program are processed within standard timeframes

**FY 2002: Minimize the human, social, and financial impact of work-related injuries for workers and their families.**

1. Decrease by 2% from the FY 2001 baseline the average number of production days lost due to disability in the FECA program for
  - a. United States Postal Service (USPS ) cases
  - b. All other Government cases.
2. Reduce by 2% over the baseline the average time required to resolve disputed issues in

Longshore and Harbor Worker's Compensation Program contested cases.		
3.	Increase by 2% over the FY 2001 established baseline the percentage of Black Lung benefit claims for which, following an eligibility decision by the district director, there are no requests for further action from any party pending one year after receipt of the claim.	
4.	For Initial Processing of claims for benefits in the Energy Program:	
a.	75% of claims of Department of Energy (DOE) employees, or of contractors employed at DOE facilities, are processed within 120 days.	
b.	75% of claims of employees of Atomic Weapons Employers (AME) and Beryllium Vendors are processed within 180 days.	
5.	For processing of Requests for Hearings in the Energy Program:	
a.	75% of Final Decisions in Approved Claims or No-Contest Denials are issued within 75 days from issuance of the Recommended Decision.	
b.	75% of Final Decisions in Reviews of the Written Record are issued within 75 days of the Request for Review of Written Record.	
c.	75% of Final Decisions in Formal Hearings are issued within 250 days of the Request for Hearing.	
6.	Through use of Periodic Roll Management, produce \$122 million in cumulative first-year savings (FY 1999 –2002) in the FECA program.	
7.	Reduce the overall average medical service costs per case (adjusted for inflation) in the FECA program by .5% versus the FY 2000 baseline.	
FY 2001:		
1.	2% reduction from the FY 2000 baseline in the average number of production days lost due to disability.	
2.	Establish performance baseline and begin data collection for performance tracking.	
3.	Establish a baseline by the end of FY 2001.	
4-5.	N/A.	
6.	Produce \$95 million in cumulative first-year savings.	
7.	Reduction in the average annual cost for physical therapy and psychiatric services by 1% through focus reviews of services charged. (Note: This intermediate goal will assist the agency in developing strategies to reach the overall cost reduction goal. Reduction of overall average medical costs will be measured against a FY 2000 baseline.)	
FY 2000:		
1.	Reduce to 173 days (QCM cases only); establish baseline for all cases.	
2.	Complete system programming for entering and generating goal-related data and establish a baseline against which to measure performance.	
3.	Finalize and implement new regulations. Develop materials to provide all parties with information about the revised claims development and adjudication process.	
4-5.	N/A	
6.	Produce \$66 million in cumulative first-year savings.	
7.	Save an additional \$5 million over FY 1999 compared to amounts charged through full-year implementation of fee schedules for inpatient hospital and pharmacy services.	
FY 1999:		
1.	Reduce to 178 days (QCM cases only).	
2.	Complete the process of defining a case resolution.	
3.	Implement initial findings package designed to more effectively provide all parties with information about decisions made on individual claims.	
4-5.	N/A	
6.	\$19 million in first-year savings.	
7.	Save 19% versus amounts billed for FECA medical service subject to fee schedules.	

Results	<p>FY 2002:</p> <ol style="list-style-type: none"> <li>1. This goal was not achieved. While LPD for injury cases of the United States Postal Service rose by 11.6% to 131 days, LPD for the All Other Government Agencies was reduced by 4.6% to 53.8 days.</li> <li>2. This goal was not achieved. Resolving disputed issues required an average of 285 days. <ul style="list-style-type: none"> <li>• As the data collection and reporting process matured, it became apparent that the baseline for this indicator did not capture the full universe of cases and was therefore invalid.</li> <li>• We believe the FY 2002 performance data to be basically sound and will, following a data review and clean-up to ensure its accuracy and completeness, use the FY 2002 result as the new baseline for FY 2003 and beyond.</li> <li>• We fully expect to meet or exceed our performance targets for FY 2003 and beyond.</li> </ul> </li> <li>3. This goal was achieved. 89.9 % of claims subject to the new regulations on which district director decisions were based had no pending requests for further action one year after receipt of the claim. <ul style="list-style-type: none"> <li>• The extraordinary results achieved were due mostly to cohorts of re-filed and marginal cases that were subsequently withdrawn during the initial processing period under the revised regulations.</li> <li>• These cohorts should decrease or disappear during FY 2003 and beyond.</li> <li>• The program expects the reduction or elimination of these cohorts to bring performance more into line with projected targets.</li> </ul> </li> <li>4. This goal was not achieved. The FY 2002 target for these performance indicators was 75%. Results from year-end totals showed that 48% of claims of Department of Energy (DOE) employees, or of contractors employed at DOE Facilities, were processed within 120 days, and that 48% of claims of employees of Atomic Weapons Employers and Beryllium Vendors were processed within 180 days.</li> <li>5. This goal was substantially achieved. The FY 2002 target for these performance indicators was 75%. Results from year-end totals showed that 76% of final decisions in approved claims or no-contest denials were issued within 75 days from issuance of the recommended decision, 74% of final decisions in reviews of the written record were issued within 75 days of the request for review of written record, and 100% of final decisions in formal hearings were issued within 250 days of the request for hearing.</li> <li>6. This goal was achieved. Periodic Roll Management (PRM) produced an additional \$25.6 million in first-year compensation benefit savings in FY 2002, bringing cumulative total first-year savings to \$122 million.</li> <li>7. This goal was not achieved. Average overall FECA medical cost per case in FY 2002 was \$2,604. After adjusting for inflation using the Consumer Price Index for Medical Care, this represents a 6.8% increase compared to the average of \$2,230 in FY 2000.</li> </ol> <p>FY 2001:</p> <ol style="list-style-type: none"> <li>1. The goal was not met. The FY 2000 baseline is 68.1 days, and the FY 2001 target was 66.7. The overall government-wide average LPD was 76.9, a 15.3% increase..</li> <li>2. N/A</li> <li>3. N/A</li> <li>4. N/A</li> <li>5. N/A</li> <li>6. This goal was exceeded. PRM produced an additional \$31 million in first-year savings in FY 2001, bringing cumulative total first-year savings to \$103 million.</li> </ol>
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	<p>7. The goal was not met. Average cost per case for Psychiatric services were reduced by nearly 3% over FY 2000; for Physical Therapy services, however, average cost increased by 4.5% (adjusted for inflation).</p> <ul style="list-style-type: none"> <li>• For Psychiatric cases, the decline in average case costs was due, in part, to application of stricter guidelines over approval of services in the FECA district offices;</li> <li>• Despite an increase in average costs for Physical Therapy cases, Focus Reviews conducted in late FY 2001 demonstrated the potential for savings in this service category: 121 of 842 high-cost cases were identified for adjustment of service limits.</li> </ul> <p>FY 2000:</p> <ol style="list-style-type: none"> <li>1. This goal was exceeded. Average lost production days (LPD) measured for Quality Case Management cases in FY 2000 was 164 days. This represented a shortening of the average time away from work of 25 days when compared to the FY 1997 baseline year. The reduction also equated to a \$17.7 million savings in compensation costs.</li> <li>2. This goal was substantially met. System programming was completed and data collected started. However, goal refinement at mid-year required extending the data collection period to a full year to ensure an inclusive baseline. The target for establishing a baseline was extended to May 2001.</li> <li>3. This goal was substantially met.</li> <li>4 – 5. N/A.</li> <li>6. This goal was exceeded. Cumulative first-year savings for FY 1999-2000 were \$72 million. PRM productivity remained higher than expected. One-half of all reviews in FY 2000 resulted in either an adjustment to continuing benefit amounts or a termination of benefits.</li> <li>7. This goal was exceeded. The FECA program saved \$34.5 million (61% over target) using fee schedules for Inpatient and Pharmacy services. The result was due, in large part, to a 37% increase in charges for these services. This was consistent with the 32% overall increase in charges subject to fee schedules (including Outpatient Hospital and Physician charges) in FY 2000.</li> </ol> <p>FY 1999:</p> <ol style="list-style-type: none"> <li>1. This goal was exceeded. Average lost production days for cases measured in FY 1999 was 173 days against a target of 178 days. This was nearly a 9% reduction compared to the FY 1997 baseline. The 16-day reduction compared to the FY 1997 baseline represented a savings in compensation benefits of \$9.6 million for the cases measured.</li> <li>2. By September 30, a definition of "case resolution" was developed and distributed to program district directors and OWCP regional directors.</li> <li>3. The program implemented part of its revised initial findings package in July 1999. The remainder of the findings package was awaiting finalization of the new regulations.</li> <li>4 – 5. N/A</li> <li>6. The goal was exceeded. PRM case review actions produced an additional \$20.8 million in FECA compensation benefit savings.</li> <li>7. Both the original and revised goals were exceeded. The original goal was to save \$10.67 million against amounts billed for inpatient hospital and pharmacy services subject to new fee schedules, and through specialized review for improper billings for physician/professional services. The new fee (which became effective January 1999) alone exceeded the target by 54%, and produced \$16.5 million in savings. Implementation of medical bill review was delayed and the full complement of Medical Coding Specialists was not brought on board and trained until September 1999. No savings resulted from bill review.</li> </ol>
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Indicator	<p>1,2. Ratio of the total number of days lost due to workplace injuries per 100 employed Federal civilian workers for both the USPS and All other Government agencies. The measurement consists of time lost during the initial 45-day, continuation-of-pay period while the claim remains in the jurisdiction of the Federal agency employer, plus LPD within the first year of the beginning of wage-loss benefits under the FECA following COP.</p> <p>3. The percent change in the annual number of injury case placements with a new employer through the FECA vocational rehabilitation program.</p> <p>4. The fiscal year value, on a case-by-case basis, of all reductions in periodic (28-day cycle) compensation benefit payments resulting from PRM action.</p> <p>5. The change in 12-month rolling average medical cost per case for FECA cases receiving medical services, compared to the change in the 12-month rolling average in health care costs per capita for the nationwide population.</p> <p>6. Various timeliness, quality, and volume measurements relating to service performance.</p> <p>7. The average number of days elapsed between the date a dispute is received in a Longshore case from any party and the date that the dispute is resolved.</p> <p>8. Percentage of claims filed which are subject to the new Black Lung regulations on which, following an initial eligibility decision by the district director, no requests for further proceedings (reconsideration, modification, informal conference, formal hearing) are pending one year after receipt of the claim by the program.</p> <p>9. The percentage of claims processed by the Energy Employees Compensation Program, which reach initial completion within relevant standard timeframes measured in calendar days from the date of receipt of the claim by the program to the status date indicating completion of initial processing. The standard timeframe for processing claims of Department of Energy (DOE) employees is 120 days; the standard timeframe for claims of employees of Atomic Weapons Employers (AWE), Beryllium Vendors, subcontractors at any site, and any claim sent for employment verification by the Social Security Administration is 180 days. Completion of initial processing includes: 1) Issuance of Recommended Acceptance in Radiation Exposure Compensation Act (RECA) claims; 2) Issuance of Recommended Denials; 3) Issuance of Form EE15 in non-RECA accepted claims; or 4) Referral of a claim to the National Institutes for Safety and Health.</p> <p>10. The percentage of all final Decisions issued within relevant standard timeframes as measured in calendar days from the date of either: a) the issuance of the Recommended Decision to the Final Decision in Approved Claims or no-Contests Denials; b) the receipt of the request for Review of the Written Record to the date of the Final Decision; or c) the receipt of Request for Hearing to the date of issuance of the Final Decision. The standard timeframe for processing Final Decisions in Approved Claims or No-Contest Denials is 75 days from issuance of the Recommended Decision; for Reviews of the Written Record, the standard is 75 days of the Request for Review of Written Record; and for Final Decisions in Formal Hearings, the standard is 250 days of the Request for Hearing.</p> <p>FY 2002:</p> <p>1. Average number of days lost due to workplace injuries per employed Federal civilian worker. The measurement consists of time lost during the initial 45-day, continuation-of-pay period while the claim remains in the jurisdiction of the Federal agency employer, plus LPD within the first year of the beginning of wage-loss benefits under the FECA following COP.</p> <p>2. The average number of days elapsed between the date a dispute is received</p>

	<p>in a Longshore case from any party and the date that the dispute is resolved.</p> <ol style="list-style-type: none"> <li>Percentage of claims filed which are subject to the new Black Lung regulations on which no requests for further proceedings (reconsideration, modification, informal conference, formal hearing) are pending one year after receipt of the claim by the program.</li> <li>The percent of claims processed by the Energy Employees Compensation Program, which reach initial completion within the relevant timeframe measured in calendar days from the date of receipt of the claim by the program to the status date indicating completion of initial processing. Completion of initial processing includes: 1) Issuance of Recommended Acceptance in Radiation Exposure Compensation Act (RECA) claims; 2) Issuance of Recommended Denials; 3) Issuance of Form EE15 in non-RECA accepted claims; or 3) Referral of a claim to the National Institutes for Safety and Health.</li> <li>The percent of all final Decisions issued within the relevant timeframe as measured in calendar days from the date of: <ol style="list-style-type: none"> <li>The issuance of the Recommended Decision to the Final Decision in Approved Claims or no-Contests Denials;</li> <li>The receipt of the request for Review of the Written Record to the date of the Final Decision; or</li> <li>The receipt of Request for Hearing to the date of issuance of the Final Decision.</li> </ol> </li> <li>The fiscal year amount of total periodic payment (compensation benefit) reductions in PRM universe cases.</li> <li>Overall average medical cost per case, after adjustment for inflation, for all cases receiving medical services.</li> </ol>
Data Source	<p>FY 2004 and FY 2003:</p> <ol style="list-style-type: none"> <li>Federal Employees' Compensation Act (FECA) data systems; Federal agency payroll offices; Office of Personnel Management employment statistics</li> <li>Federal Employees' Compensation Act (FECA) data systems; Federal agency payroll offices; Office of Personnel Management employment statistics</li> <li>Nurse/Rehabilitation Tracking System</li> <li>Periodic Roll Management System; FECA Automated Compensation Payment System.</li> <li>FECA Medical Bill Pay System; Milliman USA, Health Cost Index Report</li> <li>Telecommunications system standard reports; FECA district office and national MIS reports; customer surveys; focus group records; and other customer service performance data sources</li> <li>Longshore Case Management System.</li> <li>Black Lung Automated Support Package.</li> <li>Energy Program Case Management System</li> <li>Energy Program Case Management System</li> </ol> <p>FY 2002:</p> <ol style="list-style-type: none"> <li>Federal Employees' Compensation Act (FECA) data systems; Federal agency payroll offices; Office of Personnel Management employment statistics</li> <li>Longshore Case Management System.</li> <li>Black Lung Automated Support Package.</li> <li>5. Energy Program Case Management System</li> <li>Periodic Roll Management System; FECA Automated Compensation Payment System.</li> <li>FECA Medical Bill Pay System.</li> </ol>
Baseline	<p>FY 2004 and FY 2003:</p> <ol style="list-style-type: none"> <li>The number of days lost due to workplace injuries in FY 2002 per 100 employed Federal civilian workers by the USPS.</li> <li>The number of days lost due to workplace injuries in FY 2001 per 100</li> </ol>



	<p>employed Federal civilian workers by All Other Government agencies.</p> <ol style="list-style-type: none"> <li>3. The number of vocational rehabilitation placements with new employer in FY 2002.</li> <li>4. The sum of periodic (28-day cycle) payments, on a case-by-case basis, made prior to reduction in benefits due to terminations or adjustments by PRM action in the fiscal year.</li> <li>5. U.S. health care costs as measured by the Milliman Health Cost Index.</li> <li>6. TBD, baselines for key service areas being established in FY 2003</li> <li>7. An average of 285 days elapsed nationwide between the dispute receipt date and the dispute resolution date.*</li> <li>8. FY 2001: 66.5% of Black Lung benefit claims, following an eligibility decision by the district director, had no requests for further action from any party pending one year after receipt of the claim: developed using data collected over the past decade from claims subject to the old regulations.</li> <li>9. 75 percent of Initial Claims processed are timely.</li> <li>10. 75 percent of Final Decisions are timely.</li> </ol> <p>* Additional limited review and clean-up work for a small cohort of cases will result in a minor baseline adjustment during FY 2003</p> <p>FY 2002:</p> <ol style="list-style-type: none"> <li>1. Interim baseline for Quality Case Management (QCM) cases only: FY 1997 actual – 189 workdays. FY 2000 baseline: 68.1workdays. FY 2001 actual results will serve as new baselines: preliminary results are 119 days for USPS, and 54.1 days for All Other Agencies.</li> <li>2. An average of 232 days elapsed nationwide between the dispute receipt date and the dispute resolution date.</li> <li>3. 66.5% of Black Lung benefit claims, following an eligibility decision by the district director, had no requests for further action from any party pending one year after receipt of the claim: developed using data collected over the past decade from claims subject to the old regulations.</li> <li>4. This is a new measure for FY 2002. While target levels have been established, the actual performance results in FY 2002 will serve as the baseline for this measure.</li> <li>5. This is a new measure for FY 2002. While target levels have been established, the actual performance results in FY 2002 will serve as the baseline for this measure.</li> <li>6. For all cases with benefit actions in the measurement year, the periodic payment amount paid at time of their entry into the PRM universe, compared to the periodic payment amount after benefit reduction. The methodology for measuring savings from compensation benefit adjustments and terminations was revised in FY 2000 to coincide with PRM's integration into permanent operations. PRM savings for performance reporting were previously derived by comparing total FECA program benefit reductions in all cases, including PRM cases, in the measurement year, to total reductions produced in the baseline year but not counting PRM case reductions.</li> <li>7. Overall Average Medical Cost Baseline: Average annual cost per case in FY 2000 for all cases receiving medical services.</li> </ol>
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Comment	<p>1,2. LPD is one of several goals within the joint, OSHA/ESA safety &amp; health and return to work initiative to increase Federal workplace safety rates and speed recovery and return to work. In light of widespread public health incidents subsequent to the anthrax events involving postal workers, and because USPS is excluded from OSHA's Federal safety initiative since it is regulated as a private sector entity, we have created two LPD goals to measure LPD for USPS cases and for all other Federal agencies separately. Post September 11, 2001, impacts on the USPS, including overall reductions in mail volume, resulted in higher LPD during FY 2001 and 2002, and that trend is expected to be difficult to reverse. Accordingly, we believe FY 2002 is a more appropriate baseline against which to measure future performance for USPS.</p> <p>4. Periodic Roll Management has proven highly successful in identifying potential for return to work and resolving cases leading to greater savings in benefit compensation (an additional \$317 million between 1992 and 1998). In FY 1999, Congress appropriated resources to fully staff all offices and integrate PRM into FECA program operations. This is accelerating savings in Federal workers' compensation costs, and increasing the potential for returning workers to employment after recovery from an injury. Note: decisions on cases under PRM review often result in adjustment or termination of benefits. On a case-by-case basis, and beginning with the first payment cycle after the benefit action, savings are scored for the remainder of the measurement (fiscal) year, producing the first-year savings for the case. First-year savings for all cases in the measurement year are then combined producing the total first-year savings. The cumulative sum of first-year savings is matched against the goal as stated for each measurement year.</p> <p>5. As revised for FY 2003 – FY 2008, the objective of the FECA Medical Savings goal is to maintain control over costs at a level comparable to nationwide health care cost trends as measured by the Milliman Health Cost Index. This index measures the change in non-Medicare health care costs per capita for the overall national population.</p> <p>In the early 1990's FECA medical cost increases were typically lower than the Milliman Health Cost Index, but in 1998 and throughout 2000 the FECA rolling 12 month average exceeded the Milliman Index's rate of increase. OWCP's earlier medical cost containment goals and strategies were aimed at addressing that upward cost pressure. The most recent version of OWCP's cost containment goal – to reduce medical costs per case (adjusted for inflation) by a set percentage – was intended as a short-term goal, since the program could not be expected to continue to reduce real medical costs each year on a permanent basis. (In no event does OWCP seek to reduce real medical outlays such that physicians would be discouraged from providing health care services to injured Federal workers.) The implementation of various cost containment strategies has had significant impact in moving FECA's cost curve well below the average Milliman Index since early 2001, and this new, long-term goal of maintaining that positive relationship to the Milliman Index over time is appropriate given the progress to date.</p> <p>FECA continues to use fee schedules to set payment levels for standard categories of billed medical services. A special automated bill review, the Corrective Coding Initiative (CCI) identifies medical providers' duplicate and abusive billing practices, and facilitates evaluation and resolution of questionable bills before payment is authorized. Focus Reviews identify proper treatment or payments for selected medical services provided and matched to medical condition. By FY 2004, a medical services contract will</p>
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	<p>centralize and standardize the processing of FECA medical bills. ESA has proposed additional funding in its FY 2003 budget request to establish a Medical Utilization Review program to focus on the appropriateness and duration of medical treatment.</p> <p>6. Key customer service areas include: access; responsiveness; information accuracy and assistance effectiveness; and service quality. Processing of requests for authorizations to receive medical services is also a key customer service performance area.</p> <p>7. Reducing the average time required to resolve disputed issues reflects increased cooperation among the parties and increased voluntary compliance with Longshore statutes and procedures. This performance target will capture the results of program efforts to reduce utilization of the extended hearings and appeals processes by raising the quality of medical evidence and clarity of decisions in the initial stages of the decision making process under the revised regulations.</p> <p>9. OWCP refers non-Special Exposure Cohort (SEC) cancer claims to the National Institute for Occupational Safety and Health NIOSH to document radiation exposure histories and dosage levels. Upon completion of the dose reconstruction, OWCP continues adjudication of the claim. "Completion of initial processing" indicates a point common to all claim categories at which the Energy program has made a determination of covered employment and covered illness. For claims other than non-SEC cancers, this determination results in a decision to award or deny claims. Beyond completion of initial processing, additional decision points reside with the claimant or NIOSH prerequisite to issuance of a formal Recommended Decision.</p> <p>These timeframes and target levels may be adjusted as the Energy program builds a more complete understanding of potential workload volumes and characteristics, better assesses work flow and resource requirements, tests work processes, and determines optimal performance standards. This analysis includes understanding uncontrollable factors, such as decision points dependent upon claimant action (e.g., "no contest denials" cannot be completed until the claimant's 60-day response period has passed).</p>
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Performance Goal 2.2D				
<b>FY 2004: PBGC will provide <i>accurate</i> and <i>timely</i> payments to the beneficiaries and businesses it serves, including (1) reducing to 2.9 years the average timeframe to send benefit determinations to participants in defined benefit pension plans taken over by PBGC; (2) minimizing the number of erroneous benefit payments; (3) refunding pension insurance premium overpayments to businesses within ninety days of a request.</b>				
	(1)	(2)	(3)	
FY 2004	2.9 years	*	90%	
FY 2003	3.2 years	*	85%	
FY 2002	3 years	N/A	75%	
FY 2001	3-4 years	N/A	N/A	
FY 2000	4-5 years	N/A	N/A	
FY 1999	5-6 years	N/A	N/A	
* Issuance of a statement of reasonable assurance of accuracy.				
Results	(1)	(2)	(3)	
	FY 2002	3.3 years	N/A	N/A
	FY 2001	3.6 years	N/A	26%
	FY 2000	4.9 years	N/A	N/A
	FY 1999	5.7 years	N/A	N/A
Indicator	Accurate and timeliness of payments to the beneficiaries and businesses PBGC serves			
Data Source	(1) Participant Record Information System Management (PRISM) (2) Certification of Assurance (3) Premium Accounting System (PAS)			
Baseline	(1) 5.7 years (FY 1999) (2) To be determined (FY 2002) (3) 26% (FY 2001)			
Comment	<p>In FY 2003 PBGC revised its performance goal addressing the Administration's reform initiative to pay benefits in a timely manner. This new focus will have three parts: (1) reducing the average timeframe to send benefit determinations to participants in defined benefit pension plans taken over by PBGC; (2) minimizing the number of erroneous benefit payments; (3) prompt refunding of pension insurance premium overpayments to businesses.</p> <p>In its efforts to reduce erroneous payments, PBGC will conduct a review of a sample of benefit determination files each year to check for accuracy. Accuracy is defined as the proper and consistent application of plan formulas and actuarial factors using the best information available to arrive at the correct final benefit amount. Based on the results, PBGC will issue one of the following: statement of reasonable assurance of accuracy; qualified statement of assurance; or statement of no assurance. This audit process is modeled after the OMB Circular A-123 that measures the overall adequacy and effectiveness of management controls.</p> <p>While the first part of the performance goal is a continuation of the previous goal, FY 2003 is the first year PBGC will report on the other two parts.</p>			